



**STATE OF ARIZONA**  
**DIVISION OF EMERGENCY**  
**MANAGEMENT**



**RECOVERY SECTION**

**STANDARD OPERATING PROCEDURES**

**PUBLIC ASSISTANCE PROGRAM**

**SECTION 15**

**FINAL INSPECTION**

Rev 5/08



**STATE OF ARIZONA  
DIVISION OF EMERGENCY MANAGEMENT  
PUBLIC ASSISTANCE PROGRAM  
STANDARD OPERATING PROCEDURES**



**FINAL INSPECTION  
PROCEDURE AND CHECK LIST**

**I. OVERVIEW**

A final inspection of all projects will be conducted in order to determine and document that the applicant completed their project(s) in accordance with the approved scope of work and to validate that all claimed costs expended are eligible and documented. Once an applicant has completed all work associated with a project, a final inspection will be conducted by the Public Assistance Coordinator (PAC). The responsibilities, forms to be completed and checklist of information/documentation that will need to be reviewed in order to complete the final inspection is listed below.

**II. RESPONSIBILITIES**

In conducting the final inspection and making the appropriate entries on the Final Inspection Report Forms, the inspector will:

- Schedule and conduct final inspections in coordination with the applicant.
- Perform a physical Site/Field Inspection of each (large and small) project. (There are few instances where this cannot be accomplished, such as some Category "B" projects.)
- Take photos of the final work site to include in the Final Inspection Report package.
- Determine if the work performed and costs claimed are within the project scope of approved work and completed within the approved time limits.
- Ensure the applicant has collected and organized all supporting cost documentation.
- Review the supporting cost documentation for each project. Certify that reported costs incurred are eligible and within the scope of work approved.

- The applicant is responsible for furnishing appropriate documentation to the inspector. If such documentation is not available, the inspector is to cease the final inspection and inform the applicant of the documentation necessary to continue the inspection. The inspector will document this in the case management log for record citing the needed documentation and the disposition of the inspection.
- Identify and document, in narrative/comments form, any change in the Scope of Work or any cost overruns and indicate whether the changes and/or overruns are disaster related and justified. If there was a change in scope of work, verify the applicant requested the change and received the appropriate approval; otherwise the project is void.
- If insurance coverage applies, ensure those deductions were applied to the overall project cost and the supporting documentation is included. If an insurable project did not have insurance at the time of the event, verify that insurance policies have been obtained and that an insurance commitment form was provided or that the applicant has a decision from the State Insurance Commissioner stating that the required insurance is not reasonably available. If neither of the above conditions is met, there is no eligible cost for the project and any funds reimbursed to date will have to be returned to the State.
- Federal Declarations – Improved or Alternate Project  
Verify that the scope of work approved for an Improved or Alternate Project is completed as approved. If the documented cost for an Improved or Alternate Project on a large project was less than the approved amount, the FIR eligible cost will be the documented cost. If the documented cost was equal to or greater than the approved amount, the FIR eligible cost will be the approved amount. If the Improved or Alternate Project was approved for a small project, the FIR eligible cost will be the PW approved amount.

### **III. FORMS**

There are three forms that will be completed for each final inspection conducted:

1. Final Inspection Report Form
2. Final Inspection Report Checklist Form
3. Final Inspection Report Narrative/Comments Form
4. Final Inspection Report Photo Sheet

These forms are located on the ADEM network at the following location:  
I:\Recovery\PA Branch\FORMS\ADEM Forms.

Examples of these forms are included later in this section.

#### **IV. FINAL INSPECTION DOCUMENTATION CHECKLIST**

##### **FORCE ACCOUNT**

###### **a. LABOR COSTS:**

- Time cards/payroll documents
- Employee name
- Employee job classification
- Date (s) hours worked
- Location of work
- Type of work performed
- Hourly pay rate
- Direct employee benefits
- Overtime, compensatory overtime, and meals during the emergency phase are eligible if in accordance with written policy or labor agreement effective prior to the disaster.
- Productive hourly wage rates approved by FEMA

**NOTE:** Regular time is not eligible for emergency work – only overtime and extra hire workers. Only first line supervisor's time may be included as eligible costs.

###### **b. EQUIPMENT (Applicant owned):**

- Hourly costs
- Hours used
- Type
- Size
- Capacity
- Make
- Model
- Date (s) of use
- Location of use
- Included on time card (s) or daily activity report (log) prepared by foreman.

**NOTE:** Hourly rates must be established by the applicant under local guidelines or published FEMA rate schedule, whichever is lower, or approved by FEMA and included in the PW. Approved rate or method must be noted in the FIR narrative.

If an employee operates more than one piece of equipment in a day, total hours cannot exceed labor hours worked by that employee.

Equipment standby time is not allowed. If approved, inspector must support effectiveness of the determination in the FIR narrative.

**c. EQUIPMENT (Rented):**

- PW number
- Type
- Size
- Capacity
- Make
- Model
- Date (s)
- Location (s)
- Hours of use
- Rental Rate (see note)
- Total rental costs

**NOTE:** If the rental is from another public agency, the FEMA rate cannot be exceeded.

If equipment is used on more than one PW, the cost shall be apportioned to all PWs for hours used.

If costs to repair are the responsibility of the applicant, it must be so stated in the rental agreement. This agreement must also state if the costs include or exclude an operator and whether fuel costs are included or excluded.

**d. MATERIALS:**

1. From Applicant's stock:
  - By PW
  - Type
  - Size
  - Quantity
  - Supported by invoice (original purchase) or of replacement
  - Several invoices if average costs per unit are used.

**NOTE:** Handling/overhead costs are **not eligible**.

2. Purchased:
    - By PW
    - Type \*
    - Size \*
    - Quantity \*
- \* Must be indicated on invoice and must be apportioned if used on more than one PW.

**e. SERVICES:**

Other Public Agencies:

- Require same documentation as Force Account
- Administrative, overhead, etc. costs are **not** eligible.

**f. CONTRACT:**

1. Applicant should have the following on file:
  - Copy of request for bid.
  - Copy of bid documents (plans, specs, etc.).
  - Engineer's estimate and tabulation of bids received.
  - Copy of contract and **all** change orders.
  - Copies of **all** contract payment requests and final contractor's claimed costs.
  - Inspector's daily logs.
  - Copies of cancelled checks of payment (s) to contractor.
2. Review:
  - Plans
  - Specifications
  - Contract bid item
  - Determine if within scope of work in PW (if not, cost must be documented).
3. Lump Sum Contract:  
Breakdown of bid items must be obtained. If not available, inspector must:
  - Estimate cost of additional eligible work, if feasible, or
  - Limit FIR eligible cost to PW estimate

[illegible]

## **INSTRUCTIONS FOR COMPLETING the FINAL INSPECTION REPORT FORM (FIR)**

The Arizona Division of Emergency Management (ADEM) is responsible for completing this report. The following instructions refer to the numbers on the sample Final Inspection Report (FIR) form.

1. **APPLICANT:** Also known as the Subgrantee; please list the official name of the applicant.
2. **PCA NUMBER:** The State's assigned project cost account number for the declared disaster.
3. **FIR PARTIAL (Y/N):** Indicate if this final inspection report is only part of the applicant's projects. Y = Yes N = No
4. **FIR FINAL (Y/N):** Indicate if this final inspection report is the final report which concludes final inspection for all of the applicant's projects.  
Y = Yes N = No
5. **CATEGORY NUMBER:** This is the category of work for the project.
6. **PW NUMBER:** This is the project worksheet number assigned to the project.
7. **DATE WORK COMPLETED:** Enter the date that the Applicant completed the repair or restoration work. On contract work, this will be the date the work was accepted by the applicant from the contractor; **not** the date of the last billing or final payment. For Force Account work, the date will be the last day of labor charges against the project. *Do not use the date of the final paid billing.*
8. **DATE INSPECTED:** This is the date of the inspector's on-site inspection of the completed work. Projects (large and small) that are 100% completed when the PW was written do not require secondary inspection. Inspection should have occurred when the project was written. (Remember: there will be few instances where physical inspection cannot be accomplished, such as some Category "B" projects.)
9. **DATE DOCUMENTS REVIEWED:** Documentation may be reviewed on a different day than the site inspection. List the date the documentation was reviewed.
10. **PW ESTIMATED COST:** This is the PW amount as estimated and approved.



11. **APPLICANT CLAIMED COST:** This amount is the total cost amount the applicant is claiming for the project.
12. **FIR ELIGIBLE COSTS:** This is the cost the inspector finds eligible after review of all supporting documentation provided by the applicant.
13. **STATE INSPECTOR:** Signature of the PAC who performed the inspection, title, agency and date completed.
14. **APPLICANT'S REPRESENTATIVE:** Signature of the applicant, title and date – this person is not necessarily the Designated Applicant's Agent.
15. **ADEM REVIEWER:** Signature, title and date of the Public Assistance Program Manager or their designee.

**NOTE:** Refer to the "Final Inspection Procedure and Checklist for State Inspectors" guide for further details.

ARIZONA DIVISION OF EMERGENCY MANAGEMENT  
**FINAL INSPECTION REPORT CHECKLIST FORM**

APPLICANT NAME: \_\_\_\_\_ PCA NUMBER: \_\_\_\_\_

PW NUMBER: \_\_\_\_\_ STATE INSPECTOR: \_\_\_\_\_

DIRECTIONS: Complete one checklist/narrative for EACH COMPLETED project worksheet

**AT PROJECT SITE with Applicant Agent or Designee State Inspector will:**

1. Determine if scope of work has been met, if it has been exceeded or if it has not been met.

Comments:

2. Determine if enviromental issues and special considerations have been met. (permits obtained)

Comments:

**Documentation Reviewed & Verified** by State Inspector with Applicant Agent or Designee:

**3. Force Account Labor:**

- |  |         |                              |                             |                              |
|--|---------|------------------------------|-----------------------------|------------------------------|
| a. Does the applicant have Published Labor Standards?        | _____ → | <input type="checkbox"/> YES | <input type="checkbox"/> NO | <input type="checkbox"/> N/A |
| b. Does the applicant have Time Cards on file?               | _____ → | <input type="checkbox"/> YES | <input type="checkbox"/> NO | <input type="checkbox"/> N/A |
| c. Does their documentation include Payroll (with benefits)? | _____ → | <input type="checkbox"/> YES | <input type="checkbox"/> NO | <input type="checkbox"/> N/A |

**4. Force Account Equipment:**

- |  |         |                              |                             |                              |
|--|---------|------------------------------|-----------------------------|------------------------------|
| a. How does the applicant track equipment use/time?<br>(equipment use log, daily site log or employee time card) | _____ → | <input type="checkbox"/> YES | <input type="checkbox"/> NO | <input type="checkbox"/> N/A |
| b. Equipment description and model number documented?  | _____ → | <input type="checkbox"/> YES | <input type="checkbox"/> NO | <input type="checkbox"/> N/A |
| c. What equipment rates were used (applicant or FEMA)?   | _____ → | <input type="checkbox"/> YES | <input type="checkbox"/> NO | <input type="checkbox"/> N/A |
| d. Fuel Costs? (if applicable)   | _____ → | <input type="checkbox"/> YES | <input type="checkbox"/> NO | <input type="checkbox"/> N/A |

**5. Material Account Equipment:**

**Stock Material**

- |                     |         |                              |                             |                              |
|---------------------|---------|------------------------------|-----------------------------|------------------------------|
| Inventory Amount    | _____ → | <input type="checkbox"/> YES | <input type="checkbox"/> NO | <input type="checkbox"/> N/A |
| Cost Basis          | _____ → | <input type="checkbox"/> YES | <input type="checkbox"/> NO | <input type="checkbox"/> N/A |
| Replacement Invoice | _____ → | <input type="checkbox"/> YES | <input type="checkbox"/> NO | <input type="checkbox"/> N/A |

**Purchased Material**

- |             |         |                              |                             |                              |
|-------------|---------|------------------------------|-----------------------------|------------------------------|
| Description | _____ → | <input type="checkbox"/> YES | <input type="checkbox"/> NO | <input type="checkbox"/> N/A |
| Quantity    | _____ → | <input type="checkbox"/> YES | <input type="checkbox"/> NO | <input type="checkbox"/> N/A |
| Cost        | _____ → | <input type="checkbox"/> YES | <input type="checkbox"/> NO | <input type="checkbox"/> N/A |
| Invoice     | _____ → | <input type="checkbox"/> YES | <input type="checkbox"/> NO | <input type="checkbox"/> N/A |

**6. Rental Equipment**

- |   |         |                              |                             |                              |
|---|---------|------------------------------|-----------------------------|------------------------------|
| a. Does the rental agreement include an operator? | _____ → | <input type="checkbox"/> YES | <input type="checkbox"/> NO | <input type="checkbox"/> N/A |
| b. Does the applicant have a Use Summary Log?     | _____ → | <input type="checkbox"/> YES | <input type="checkbox"/> NO | <input type="checkbox"/> N/A |
| c. Has the rental invoice been paid?              | _____ → | <input type="checkbox"/> YES | <input type="checkbox"/> NO | <input type="checkbox"/> N/A |

**7. Contracts** (obtained & executed in accordance with State Procurement Procedures)

- |                          |         |                              |                             |                              |
|--------------------------|---------|------------------------------|-----------------------------|------------------------------|
| a. Request for bid       | _____ → | <input type="checkbox"/> YES | <input type="checkbox"/> NO | <input type="checkbox"/> N/A |
| b. Bid documents         | _____ → | <input type="checkbox"/> YES | <input type="checkbox"/> NO | <input type="checkbox"/> N/A |
| c. Engineer's estimate   | _____ → | <input type="checkbox"/> YES | <input type="checkbox"/> NO | <input type="checkbox"/> N/A |
| d. Contract              | _____ → | <input type="checkbox"/> YES | <input type="checkbox"/> NO | <input type="checkbox"/> N/A |
| e. Change orders         | _____ → | <input type="checkbox"/> YES | <input type="checkbox"/> NO | <input type="checkbox"/> N/A |
| f. Inspector's daily log | _____ → | <input type="checkbox"/> YES | <input type="checkbox"/> NO | <input type="checkbox"/> N/A |
| g. Invoice               | _____ → | <input type="checkbox"/> YES | <input type="checkbox"/> NO | <input type="checkbox"/> N/A |

Additional Comments:

Date: \_\_\_\_\_



**FIR PHOTO SHEET**

APPLICANT:		DATE:	
DECLARATION #		COUNTY:	

TO INSERT PICTURE, SELECT THIS BOX AND CLICK "GET PICTURE" BUTTON.

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